

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1599-01
Bill No.: HB 908
Subject: Expands jurisdiction of juvenile courts to include paternity, permanent guardianship and dissolution of marriage actions.
Type: Original
Date: March 28, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$2,052,967)	(\$5,862,482)	(\$8,497,305)
CSE Fund	(\$313,126)	(\$385,144)	(\$394,773)
Total Estimated Net Effect on <u>All</u> State Funds	(\$2,366,093)	(\$6,247,626)	(\$8,892,078)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal Funds			
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

* Federal revenues and expenditures to exceed \$1 million annually and net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	(\$219,920)	(\$204,594)	(\$209,742)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** and **Department of Health** stated the proposed legislation would not fiscally impact their organizations.

Officials from the **Department of Social Services (DOS) - Division of Family Services (DFS)** stated the anticipated expenditures for FY 02 would be \$2,052,967; \$5,862,482 for FY 03; and \$8,497,305 for FY 04. The DFS provided a detailed worksheet explaining costs of the estimated impact of guardianship changes to subsidized guardianship and Grandparents as Foster Parent (GAFP) programs which cannot be reproduced for this fiscal note. However, the following assumptions were used in making the cost determinations:

- 1) Only children currently in the custody of the DFS will be eligible (Juvenile Courts will use this law to get children out of the custody of the DFS - not to amend the custody of children who were once, but are no longer, in the custody of the DFS);
- 2) Children currently living with relatives will be eligible;
- 3) 3,135 children in the custody of the DFS live with relatives (as of 2-28-01);
- 4) Juvenile Courts' capacity and/or desire to pursue this type of guardianship is unknown to the DFS;
- 5) Assumes Juvenile Court will not change current practices in granting the DFS custody of children;
- 6) Numbers indicate high estimates based on all unknown data;
- 7) Unknown whether impact for a particular child will be on GAFP or Subsidized Guardianship but all funds are General Revenue;
- 8) Assumes no increase in cost for these children;
- 9) Average maintenance costs for kids in Legal Status # 1 (in the care and custody of DFS);
- 10) Average maintenance costs for kids in Subsidized Guardianship - \$260.83/month;
- 11) Assumes identical support costs for both populations - all funded through General Revenue or Block Grant (daycare);
- 12) Difference between average maintenance costs = \$42.01/month/child - all General Revenue
- 13) 1,136 children placed with relatives getting maintenance from Children's Services are Title IV-E eligible;
- 14) 661 children placed with relatives getting maintenance from Children's Services are funded through General Revenue;
- 15) 1,338 children with relatives getting maintenance from TANF - IV-E (assumes \$136/month).

Officials from the **DOS - Division of Child Support Enforcement (DCSE)** stated this proposed legislation amends section 211.031.1(6), RSMo, to give the juvenile/family courts exclusive jurisdiction over paternity and child support for children over which the court already has

ASSUMPTION (continued)

jurisdiction. Further, the bill amends section 211.031.4, RSMo, to give the juvenile/family courts exclusive jurisdiction over dissolution of marriages and child support modifications for children over which the court already has jurisdiction. These two changes would appear to remove any authority for the DCSE to establish paternity and child support orders and modify child support cases administratively for foster care cases.

In order to meet federal requirements and time frames, the DCSE utilizes its administrative process to expedite the establishment of paternity, establishment of child support orders, and modifications. This bill would mandate that all foster care cases be determined by the court in a judicial process. The consequence the DCSE would encounter is an increased cost to reimburse counties for their expenses in bringing all foster care child support actions through the judicial process. Although the DCSE must assume that foster care cases will be managed accordingly by the Prosecuting Attorney offices, the DCSE could possibly see a loss in federal funding due to the additional time that it will take to establish orders judicially. However, determining the fiscal impact this would have on the Division's performance measures, by which the Division earns federal incentives, is not feasible with the information at hand.

The DCSE officials stated that currently the DCSE has an average of over 7,600 foster care cases per year in which they establish child support orders and over 1,700 of these cases also involve paternity establishment. The DCSE looked at these cases separately as it obviously would consume more time to establish paternity and support orders than it would to establish an order. The DCSE concluded the following:

There are 1,700 cases in need of paternity and support order establishment, with a remaining 5,900 (7,600 - 1,700) cases in need of establishment of support orders. With these statistics in mind, the DCSE estimated the hours that it currently takes the attorneys, technicians, and clerical support staff to successfully carry out: 1) the establishment of paternity and support orders and 2) the establishment of support orders for each case. The DCSE multiplied the hours exhausted per case by the number of cases for each type of case to get the total hours that it would take the numerous Prosecuting Attorneys to fulfill this obligation:

Staff	Cases Needing		Total Hours
	Paternity & Support Order Establishment	Hours per Case	
Attorney	1,700	8	13,600
Technician	1,700	6	10,200
Clerical Support	1,700	2	3,400

ASSUMPTION (continued)

<u>Staff</u>	<u>Cases Needing Support</u>		
	<u>Order Establishment</u>	<u>Hours per Case</u>	<u>Total Hours</u>
Attorney	5,900	6	35,400
Technician	5,900	6	35,400
Clerical Support	5,900	1	5,900

If this legislation is enacted, the DCSE would be required to refer all Foster Care cases to either Multi-County Service Centers or local Prosecuting Attorney offices, substantially increasing their caseloads. In order to ensure that all of the duties associated with the additional Foster Cases would be performed in a timely and efficient manner, additional staffing in these offices would be necessary. The DCSE figured total additional FTE needed by taking total Attorney, Technician, and Clerical Support hours and dividing by total work hours in a year and came up with the following results:

Attorneys	<u>Total hours</u>	<u>49,000 (13,600 + 35,400)</u>	
	2,080	2,080	= 24 FTE
Technicians	<u>Total hours</u>	<u>45,600 (10,200 + 35,400)</u>	
	2,080	2,080	= 22 FTE
Clerical Support	<u>Total hours</u>	<u>9,300 (3,400 + 5,900)</u>	
	2,080	2,080	= 4 FTE

Currently, 113 counties in the state participate in the County Reimbursement Program. 75 of these counties have joined together to form 19 Multi-County Service Centers throughout the state. Typically, each Multi-County Service Center is staffed with three people - an assistant attorney, child support technician, and a clerical support. This group is dedicated solely to child support activities, and therefore, are reimbursed for the full cost of personal services at 66% federal funding and 34% state CSE (Child Support Enforcement) fund match rate. The remaining 38 (out of 113) local prosecutor's offices received 66% federal reimbursement for personal services and the local counties are responsible for the remaining 34%. All of the counties' expense and equipment expenditures are reimbursed at the standard 66% federal match rate, while the local counties are responsible for the remaining 34%. In order to differentiate the personal services costs for Multi-County Service Centers reimbursed at 100% from the local prosecutor's offices reimbursed at 66%, the DCSE calculated the percentage of FTE that would be reimbursed at 100% and the percentage of FTE that would be reimbursed at 66%. These percentages were then applied to the additional FTE needed. DCSE's calculations are as follows:

ASSUMPTION (continued)

75 Multi-County Service Center Counties

113 Counties

= 66% FTE reimbursed at 100%
(66% Federal funding and 34%
State CSE funding)

38 Local Prosecutor's offices

113 Counties

= 34% FTE reimbursed at 66% (66%
Federal Funding and 34% Local County)

Oversight assumes that approximately 7,600 cases would be transferred from the DCSE to prosecuting attorneys or multi-county service centers and would no longer be part of the DCSE workload. Based on information provided by the DCSE officials, Oversight determined that the DCSE's current caseload per technician is approximately 595 cases. Therefore, Oversight assumes that DCSE would need a NET new staff of 24 attorneys, 9 technicians, and 3 clerical support staff to perform the duties associated with this proposal.

FISCAL IMPACT - State Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

GENERAL REVENUE

HW-C:LR:OD (12/00)

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Costs - Department of Social Services - Division of Family Services</u>			
Maintenance Payments for Subsidized Guardianship and GAFF Programs	<u>(\$2,052,967)</u>	<u>(\$5,862,482)</u>	<u>(\$8,497,305)</u>
Total <u>Costs</u> - Department of Social Services - Division of Family Services	<u>(\$2,052,967)</u>	<u>(\$5,862,482)</u>	<u>(\$8,497,305)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$2,052,967)</u>	<u>(\$5,862,482)</u>	<u>(\$8,497,305)</u>
CHILD SUPPORT ENFORCEMENT FUND			
<u>Costs - Department of Social Services - Division of Child Support Enforcement</u>			
Personal Service Costs (8.09FTE)	(\$234,850)	(\$288,865)	(\$296,087)
Fringe Benefits	<u>(\$78,276)</u>	<u>(\$96,279)</u>	<u>(\$98,686)</u>
Total <u>Costs</u> - Department of Social Services - Child Support Enforcement	<u>(\$313,126)</u>	<u>(\$385,144)</u>	<u>(\$394,773)</u>
ESTIMATED NET EFFECT ON CHILD SUPPORT ENFORCEMENT FUND	<u>(\$313,126)</u>	<u>(\$385,144)</u>	<u>(\$394,773)</u>
FEDERAL FUNDS			
<u>Income - Department of Social Services - Division of Child Support Enforcement</u>			
Federal Match for Child Support Enforcement Activities	\$1,034,776	\$1,145,063	\$1,173,755
<u>Costs - Department of Social Services - Division of Child Support Enforcement</u>			
Personal Service Costs (23.76 FTE)	(\$690,182)	(\$848,924)	(\$870,147)
Fringe Benefits	(\$230,038)	(\$282,946)	(\$290,020)
Equipment and Expense	<u>(\$114,556)</u>	<u>(\$13,193)</u>	<u>(\$13,588)</u>
Total <u>Costs</u> - Department of Social Services - Child Support Enforcement	<u>(\$1,034,776)</u>	<u>(\$1,145,063)</u>	<u>(\$1,173,755)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Costs - Local Government</u>			
Prosecuting Attorney or Multi-County Service Center Personal Service Costs (4.15 FTE)	(\$120,604)	(\$148,343)	(\$152,051)
Fringe Benefits	(\$40,197)	(\$49,443)	(\$50,679)
Equipment and Expense	(\$59,119)	(\$6,808)	(\$7,012)
Total <u>Costs</u> - Prosecuting Attorneys or Multi-County Service Centers	<u>(\$219,920)</u>	<u>(\$204,594)</u>	<u>(\$209,742)</u>
 NET ESTIMATED EFFECT ON LOCAL GOVERNMENT	 <u>(\$219,920)</u>	 <u>(\$204,594)</u>	 <u>(\$209,742)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This legislation expands juvenile court jurisdiction to allow juvenile courts to determine paternity, child custody, and child support in one action. Under current law, paternity actions must be filed separately. Juvenile courts are given jurisdiction over guardianship proceedings for children and several new forms of guardianship are created. The bill also allows for an automatic transfer to juvenile court of dissolution and modification actions involving children subject to juvenile court jurisdiction.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Department of Health
Department of Social Services



Jeanne Jarrett, CPA
Director
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